

# **FISCAL NOTE**

## **HB 2138 - SB 2052**

March 18, 2004

**SUMMARY OF BILL:** Provides for the debarment or suspension of personal, professional or consultant services contractors by the Commissioner of Finance and Administration or the heads of executive branch agencies or departments for a period of time from receiving an RFP or a contract reward from a state agency as a result of criminal, fraudulent or improper conduct or inadequate performance or suspicion of such. Provides for notification of contractors of such debarment or suspension. Specifies that debarment shall not exceed three years and suspension shall not exceed three months. Authorizes the Commissioner of the Department of Finance and Administration to promulgate regulations outlining what constitutes causes for debarment or suspension and procedures for contractors' review rights and authorizes the Commissioner to impose a lesser sanction such as civil penalties or restitution. Provides for judicial review of debarment or suspension after all administrative remedies have been exhausted.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$42,700**

**Increase State Revenues - Not Significant**


**Increase Local Govt. Expenditures - Not Significant**

Estimate assumes:

- one position in the Department of Finance and Administration to handle correspondence including notification of contractors, coordination of review of decisions, and maintenance of records of debarment and suspension with salary and benefits of \$37,500.
- recurring expenses associated with additional position for office space and supplies of \$5,200.
- a not significant increase in expenditures in other department and agencies of state government for administrative costs associated with the bill.
- a not significant increase in state revenues to the extent the Commissioner of Finance and Administration chooses to impose civil penalties as provided for in the bill.
- a not significant increase in costs to the judicial system to handle appeals of debarments or suspensions.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

